GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4582
ANSWERED ON:12.08.2016
Cooperative Bank Loans
Venugopal Shri K. C.

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has put any credit limit for loans including individual loans through Cooperative Banks in the country and if so, the details thereof;

(b) whether the Government has included State/District Cooperative Banks in the scheduled banks under the educational loan scheme and if so, the details thereof; and

(c) the steps taken/being taken by the Government in this regard?

Answer

The Minister of State in the Ministry of Finance

(a): The Boards/ Management Committees of the Cooperative Banks have been vested with powers to take decisions regarding credit limits for loans within the regulatory norms fixed by Reserve Bank of India (RBI) in respect of unit-wise and sectoral exposure limits for lending by cooperative banks.
(b) & (c): The model educational loan scheme, 2015 formulated by Indian Banks' Association (IBA) is adopted and implemented by its members including the member State Cooperative Banks of IBA. The said scheme aims at providing financial support to meritorious students for providing higher studies in India and abroad. The scheme provides broad guidelines to the member banks for operationalising the educational loan scheme and the implementing bank will have the discretion to make changes as deemed fit.